existing negative file projects to guard against defaults in this business. Bank should clearly spell out fees/charges to the cardholder at the time of their applying for credit card, if not done so far.

Financial bunglings of banks

1594. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether in view of recent stock scam, the RBI has reviewed the functioning of banks and financial sectors;

(b) if so, the details of the steps taken to check the financial bunglings of banks;

(c) whether some banks have flouted the guidelines of the RBI and provided support to stock broking entities; and

(d) if so, the details thereof and the steps taken by Government to check flouting of such guidelines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Reserve Bank of India (RBI) has reported that in view of reported irregularities in shares/securities transactions, it had collected data on exposure of all scheduled commercial banks by way of investments in equity shares etc. as also advances against shares. This had revealed that three banks had exceeded the 5% ceiling prescribed for investments in capital market. RBI had called for the explanation of these banks. These banks have since brought down their exposure within the prescribed ceiling,

(c) and (d) RBI has reported that a review undertaken during the first half of the year 2000 had revealed that advances against shares, guarantees issued on belalf of brokers and financing of IPOs of four banks was on the high side. RBI took stringent action against such banks including calling for their explanation, issue of displeasure and change in Chief Executives.

Sale of drugs in Delhi

1595. SHRI AMAR SINGH: Will the Minister of FINANCE be pleased to state: